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### **HB 78 Corporate Franchise and Income Tax Amendments**

Utah Code §§59-7-311, 59-7-320, 59-7-401, 59-7-801 **Effective Date January 1, 2006**

For taxable years beginning on or after January 1, 2006, this bill allows a taxpayer to choose to calculate the apportionment of business income on the basis of a fraction that double weights the sales factor. The fraction is calculated as follows:

1. For a taxpayer that does not make an election, the numerator of the fraction is the sum of:
  1. the property factor;
  2. the payroll factor;
  3. the sales factor;

and the denominator is three.

4. For a taxpayer that makes an election, the numerator of the fraction is the sum of:
  1. the property factor;
  2. the payroll factor; and
  3. the product of:
    1. the sales factor; and
    2. two

and the denominator of the fraction is four.

The bill also provides that a taxpayer making such an election may not revoke the election for a period of five taxable years.

### **HB 96 Amendments Relating to Clean Fuels and Vehicles Using Clean Fuels**

Utah Code §§41-6a-702; 59-7-605; 59-10-127; 59-13-304; 63-34-202; 63-34-203; 63-55-241 **Effective Date January 1, 2006**

This bill provides the circumstances under which a vehicle may travel in lanes designated for the use of high occupancy vehicles regardless of the number of occupants. For a period of five taxable years, the bill extends individual income tax and corporate franchise and income tax credits relating to vehicles using clean fuels. For taxable years beginning on or after January 1, 2006, a taxpayer may not claim a tax credit with respect to an electric-hybrid vehicle. It extends a surcharge on clean special fuel tax certificates until December 31, 2010. The bill provides that the Department of Natural Resources may not make a loan or grant under the Clean Fuels Conversion Program Act with respect to an electric-hybrid vehicle.

### **HB 170 Extension of Utah Low Income Housing Tax Credits**

Utah Code §§59-7-604; 59-10-129 **Effective Date January 1, 2005**

This bill extends for a ten-year period the amount of compounded annual tax credit for low-income housing that the Utah Housing Corporation may allocate under the corporate franchise and income taxes and the individual income tax.

### **SB 199 Office of Energy – Oversight**

Utah Code §§59-7-605; 59-7-614; 59-10-127; 59-10-134; 63-65-2; 63-73-6; 63A-3-205; 19-1-401; 19-1-402; 19-1-403; 19-1-404; 63-34-101 **Effective Date May 15, 2005**

This bill eliminates the Utah Energy Office and moves the Clean Fuels Vehicle program and fund from the Department of Natural Resources to the Department of Environmental Quality. It also transfers authority for certain federally-related programs and the Renewable Energy Tax Credit to the Utah Geological Survey.